

Minutes

Joint Legislative Program Evaluation Oversight Committee

August 10, 2020

Members Present

Senator Brent Jackson, Chair	Representative Craig Horn, Chair
Senator Rob Bryan	Representative Becky Carney
Senator Kirk DeViere	Representative John Fraley
Senator Don Davis	Representative Julia Howard
Senator Chuck Edwards	Representative Pat Hurley
Senator Carl Ford	Representative Marvin Lucas
Senator Paul Newton	Representative Jason Saine
Senator Joyce Waddell	

Representative Craig Horn, Chair, called the meeting to order.

Senator Brent Jackson moved to pass the June 8, 2020 Minutes. Motion passed.

Chairman Horn announced that John Turcotte, Director of the Program Evaluation Division, would be retiring August 31, 2020, after setting up the PED office and directing it for 13 years. Chairman Horn observed that Turcotte is a living legend in the field of legislative program evaluation, having built and directed offices in Mississippi, Florida, and North Carolina.

DOT Internal Audit

Chairman Horn recognized Jim Horne, Principal Evaluator, to present the report, "Department of Transportation and Council of Internal Auditing Did Not Ensure DOT Compliance with Internal Audit Act." The report found that DOT's Office of Inspector General (DOT OIG) failed to conduct the types of internal audits that could have flagged overspending and cash flow problems; that the majority of audits were misaligned with best practices concerning functional boundaries and independence; and that the Council of Internal Auditing has been viable and active but has not probed or challenged the effectiveness of internal audit units.

The report recommended that the State Board of Transportation Audit Committee revisit DOT OIG's annual plan and determine why OIG is not publishing reports; that the Council of Internal Auditing conduct a hearing on DOT internal audit functions and assist DOT in improving the effectiveness of OIG; and that the Council of Internal Auditing establish and monitor compliance with standards for all internal audit units within state agencies.

Chairman Horn recognized Joshua Freeman from Bill Drafting to present the bill draft that implements PED's report recommendations. This bill draft will be voted on at the next meeting of JLPEOC.

The Committee heard remarks from Johanna Reese for the Department of Transportation, Linda Combs as the State Controller, Barbara Baldwin for the Council of Internal Auditing, and Beth Wood as the State Auditor.

Housing Finance Agency

Chairman Horn recognized Jeff Grimes, Principal Evaluator, to present a brief refresher of PED's recent report on the Housing Finance Agency.

Chairman Horn recognized Matt Meining from Bill Drafting to present the bill draft that implements PED's report recommendations. Senator Chuck Edwards made a motion to recommend the Housing Finance bill draft, authorizing staff to make any technical changes. He also stated he would like to take the lead on this bill.

NC FAST Child Welfare

Chairman Horn recognized Sara Nienow, Principal Evaluator, to provide a brief refresher of PED's recent report on NC FAST child welfare case management.

Chairman Horn recognized Lisa Wilks from Bill Drafting to present the bill draft that implements PED's report recommendations. Representative Pat Hurley made a motion to recommend the NC FAST bill draft, authorizing staff to make any technical changes.

Work Plan

Chairman Horn recognized Senator Jackson, who stated that Session Law 2019-250 directed PED to examine the Department of Public Safety's coordination with nonprofit organizations for disaster recovery planning. Because this is a legislatively mandated study with specific directives, Senator Jackson made a motion to exempt this study from the mandatory evaluation components required by G.S. 120-136.14(b). Chairman Horn asked for a vote on this motion, and the motion passed.

Additional Remarks

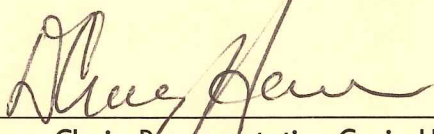
Senator Don Davis was recognized and gave brief remarks about John Turcotte's contributions to the General Assembly and the State.

Chairman Horn recognized John Turcotte, who emphasized how the Program Evaluation Division has a strong role in the Legislature compared to other state's program evaluation offices. He added that he had worked since the 1970s and that it was time to retire.

Chairman Horn thanked John for the millions of dollars that the Division has saved the State.

With no further business, the committee adjourned.

Senate Chair, Senator Brent Jackson



House Chair, Representative Craig Horn